



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

June 25, 2009

Nadean Dickey, Human Resources Manager  
California Distribution  
11130 Bloomfield Avenue  
Santa Fe Springs, CA 90670

Dear Ms. Dickey:

**RE: FINAL MONITORING VISIT REPORT – CALIFORNIA DISTRIBUTION - ET08-0444**

<b>Date of the Visit:</b>	06/22/09
<b>Beginning/Ending Time:</b>	11:30 a.m. - 3:00 p.m.
<b>Date of Last Visit:</b>	08/21/08
<b>Visit Location:</b>	Santa Fe Springs
<b>Persons in attendance:</b>	Nadean Dickey, HR Manager, California Distribution Maggie Menzel, Consultant, Training Funding Source Lan Vuong, ETP Project Analyst
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	03/31/08 – 03/30/10	<b>Agreement Amount:</b>	\$44,330
<b>Training Start Date</b>	04/02/08	<b>No. to Retain:</b>	55
<b>Date Training must be completed:</b>	12/29/09	<b>Range of Hours:</b>	8 – 60
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Average:</b>	31

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ETP (05/16/2007)

## **FINAL REPORT SUMMARY**

- **HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on April 18, 2008, and training began on April 2, 2008. Ms. Dickey reported that all training was completed on May 21, 2009, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement – March 30, 2010.

ETP approved one Agreement Amendment on October 27, 2008, to change the term date from 03/31/08-03/30/09 to 03/31/08-03/30/10.

ETP also approved a request on September 10, 2008, to change the contract representative.

- **FINAL PROJECT STATISTICS**

Your Agreement contains a variable reimbursement training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 8 and 60 training hours. There will be no reimbursement for any trainee who does not complete a minimum of 8 hours of training from the approved curriculum.

According to Ms. Dickey, of the 55 trainees specified on Chart 1, Exhibit A of the Agreement, 51 trainees (94%) completed training and the 90-day retention period (25 trainees completed retention period and 26 trainees in retention period). The ETP Class/Lab Tracking Report shows that you have delivered 1,826.75 class/lab training hours for 51 trainees who meet the minimum hours. This is equivalent to \$47,495.50 which is over the Agreement Amount. Ms. Vuong reminded Ms. Dickey that ETP will only pay California Distribution up to the ETP Total Agreement Amount of \$44,330.

Assuming all other Agreement requirements are met, California Distribution would earn 100% of the total ETP Agreement Amount. To date, your company has received \$25,091.57 in payment; therefore you will receive an additional \$19,238.43, if the anticipated number to retain is verified during the final fiscal closeout.

Project staff informed the Analyst that she will submit the final contract closeout invoice and associated documents to ETP on or before the close of business on August 21, 2009.

- **INTERVIEW WITH CONTRACTOR'S REPRESENTATIVE**

Ms. Dickey stated that ETP training funds made it easy for the company to move forward with training. The trainees benefited from training in a variety of ways including improved efficiencies, higher productivity and quality, better customer satisfaction, and improved company moral.

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

Trainees Started Training:	71	Completed Training:	51
Trainees Enrolled:	71	In Retention Period:	26
Dropped Following Enrollment:	20	Completed Retention	25
Completed Minimum Hours for reimbursement:	51		

The project statistics provided by you matches those listed on the ETP Contract Status Report.

**TRAINING RECORDS**

Ms. Vuong conducted a random sampling of nine trainees who completed training and retention. Records reviewed validated the completion of the training hours required in this Agreement. Records show that these trainees completed between **8 and 60** total training hours and the completed hours matches those posted on the ETP Online Tracking System. **The Analyst noted that roster #298 dated May 15, 2009 for Business Skills exceed the trainer-to-trainee ratio of 1:20. This roster indicated the trainer-to-trainee ratio of 1:24.** Since this is less than 10% of the finding during this visit, the Analyst allowed and accepted roster #298.

With the exception of the roster noted above, the review showed that ETP requirements were met and properly documented. The records reviewed demonstrated that the Agreement curriculum was provided and the required trainer-to-trainee ratio was adhered to.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

**AUDIT**

Your company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

Please contact Lan Vuong within ten (10) working days at (818) 755-1306 or by email at [lvuong@etp.ca.gov](mailto:lvuong@etp.ca.gov) if you have any questions or comments.

Sincerely,

**Signature on file**

Wally Aguilar, Program Manager  
North Hollywood Regional Office

**Signature on file**

Lan Vuong, Project Analyst  
North Hollywood Regional Office

cc: David Guzman, Chief, Audits & Program Operations Division, ETP (via email)  
Kulbir Mayall, Manager, Fiscal and Certification, ETP (via email)

Maggie Menzel, Consultant, Training Funding Source (via email)

Master File  
Project file

Date report mailed to Contractor 6/26/09